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August 22, 2008

Jeffrey S. Ross
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Via Email and U.S. Mail

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Re: Case Name: *Kaku Lab Corporation v. Hot topic, Inc.*
Case No.: C 07-05297 CRB

Dear Counsel:

As you know, I have been appointed by the District Court to serve as the mediator in this case under the court's Mediation program. Please be sure to review carefully ADR L.R. 6 which governs the Mediation program. I have attached a resume describing my professional experience.

Pursuant to ADR L.R. 6-6, I will conduct a phone conference with all counsel before the formal mediation to discuss the following:

- the procedures to be followed;
- the nature of the case;
- appropriate dates for the mediation and anticipated length of the session;
- the parties who will be present at the session;

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- ideas to improve the effectiveness of the mediation session or matters that could pose impediments;
- requirements for your written mediation statements; and
- any questions you might have about the mediation program and my approach.

I anticipate that the telephone conference will last approximately one-half hour. Please email me with your availability for the telephone conference during the weeks of August 25 and September 2, 2008. As you know the mediation must be conducted by Friday, October 31, 2008. Before the telephone conference, please ascertain from your clients and any insurers a selection of dates upon which the mediation may be conducted during the months of September and October so that we can satisfy the Court's deadline.

My conflicts check revealed no actual or potential conflicts of interest under 28 U.S.C. § 455(a) and (b), and I am not aware of any other circumstances that would compromise my impartiality or the appearance of impartiality.

Please note my direct phone number, which was not included in the Notice is (415) 983-1730; my email address is jeff.ross@pillsburylaw.com. I look forward to assisting you with this case.

Sincerely yours,



Jeffrey S. Ross

Enclosure

cc: Clerk's Office-ADR Unit



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Mr. Ross has 32 years' experience as a trial and appellate lawyer in federal and state court. He tried business, constitutional, employment, False Claims Act, partnership dispute and criminal cases. He argued successfully before the California Supreme Court and the California Courts of Appeal in precedent-setting cases involving unfair business practices, First Amendment rights, and the California Constitution.

Mr. Ross conducts internal investigations for corporations in the energy, healthcare, and banking industries and represents clients in connection with grand jury proceedings. He has defended criminal cases running the gamut from environmental, false claims, perjury, false statements, tax fraud and RICO, to grand theft, molestation and murder. His unfair business practice litigation includes the wine, banking and telecommunications industries. He defends False Claim Act and qui tam cases for mining and pharmaceutical companies and banks.

He is co-leader of the Corporate Investigations & White Collar Defense Practice Team and co-leader of the Health Care Practice Team.

Mr. Ross has extensive experience in Alternative Dispute Resolution (ADR) and serves as a mediator for the United States District Court for the Northern District of California and the California Court of Appeal, First Appellate District. He has been both a party and a neutral arbitrator in disputes involving telecommunications, healthcare, and real property.



Bar Association of San Francisco Award of Merit, 1990 and 1998

Select Presentations

State Qui Tam Enforcement; ABA's 6th Annual National Institute on Civil False Claims Act and Qui Tam Enforcement; Washington, D.C. June, 2006

Competing More Effectively Through Effective Corporate Compliance MCLE Marathon, San Francisco, January 2006

Sarbanes-Oxley: Applications for Financial Institutions, FBI Financial Institution Fraud Seminar, Los Angeles, 04-Mar-2004

Handling Governmental Investigations, San Francisco, Los Angeles, Houston, January/March 2004

The Brave New World of Corporate Criminal Enforcement: Sarbanes-Oxley, San Francisco, 16-Jan-2003